REMARKS

The Applicant appreciates the Examiner's thorough examination of the subject application.

Claims 1-20 were previously presented in the application. In the Office Action mailed 23 June 2009 for the subject application, claims 1-20 were rejected on statutory grounds, as described below.

Claims 1, 7, 11, and 17 are amended herein. Support for the amendments is found in the specification as filed, at least at page 9, third paragraph. No new matter has been added.

Reconsideration and further examination of the subject application is respectfully requested in light of the foregoing amendments and the following remarks.

Claim Rejections – 35 U.S.C. § 102

Concerning items 5-18 of the Office Action, claims 1, 4, 7-11, 14, and 17-20 were rejected under 35 U.S.C. § 102(b) as being unpatentable over U.S. Patent Application Publication No. 2001/0051996 to Cooper et al. ("Cooper"). Applicant respectfully traverses the rejection and requests its withdrawal for the following reasons.

For a rejection under 35 U.S.C. § 102(b), the cited reference must teach, inherently or expressly, each and every limitation as arranged in the claims(s) at issue. This requirement is not believed to be met in this situation, as will be explained.

For the rejection, the Office Action alleges (at page 4) that Cooper teaches, among other things, the following relative to Applicant's claim 1:

- *[I]mplementing said ISP gateway also to serve at a media tollbooth, tracking and identifying the respective code-embedded vendor media passing through the ISP gateway to the respective subscribing consumers and automatically adding to said predetermined ISP/consumer billing* (see at least page 7 paragraph 0093 . . . GDRAS monitors digital certificates that are issued specifically for content files .

> . . . in addition GDRAS checks the transaction database for the total amount of money collected from the user, and apportion [sic] all monies collected appropriately.
>
> - *[F]urther billing charges of the respective media vendors for such respective consumer downloading usage* (see at least page 2 paragraph 0018 . . . transaction module is coupled to the interface module and configured to initialize a transaction with the user/vendor, authenticate the identity of the user, obtain a digital certificate related to said user/vendor, search for content desired by said user, implement a payment transaction with the user)
>
> [Emphasis supplied]

Applicant respectfully submits that the cited portions of Cooper actually do not teach the indicated limitations of claim 1. For example, it is noted that claim 1 recites that the tollbooth functionality includes "automatically adding to said predetermined ISP/consumer billing." The other independent claims (claims 7, 11, and 17) of the application include similar recited limitations.

The quoted portions of Cooper, Applicant notes, do not teach such limitations from claim 1 but rather state that "GDRAS **checks the transaction database for the total amount of money collected from the user, and apportions all monies collected appropriately."** Cooper, therefore, is seen as teaching that money already collected from the user is apportioned appropriately and not that a tollbooth functionality automatically adds charges to a predetermined ISP consumer billing account, as recited in Applicant's claims.

To further clarify an aspect of the Applicant's invention, the independent claims of the application, i.e., claims 1, 7, 11, and 17, are amended herein to recite that the automatic tollbooth feature includes, for the vendor digital recorded media directed through the gateway, providing **an additional item to the predetermined ISP/consumer billing**. Cooper is not believed to teach (or suggest) such a limitation as recited in amended claims 1, 7, 11, and 17. For at least the

foregoing reasons, Applicant requests that the rejection of claims 1, 4, 7-11, 14, and 17-20 under 35 U.S.C. § 102(b) be withdrawn.

Claim Rejections – 35 U.S.C. § 103

Concerning items 19-25 of the Office Action, claims 2, 3, 12, and 13 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Cooper, cited previously, in view of U.S. Patent Application Publication No. 2004/0254851 to Himeno et al. ("Himeno"). Concerning items 26-30 of the Office Action, claims 5, 6, 15, and 16 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Cooper and Himeno, both cited previously, in further view of U.S. Patent Application Publication No. 2002/0052885 to Levy ("Levy"). Applicant respectfully traverses the rejections and requests their withdrawal for the following reasons.

The deficiencies of Cooper relative to the independent claims of the application (claims 1, 7, 11, and 17) are described above. The Himeno reference is directed to an electronic merchandise distribution apparatus that includes an information management unit which acquires at least one of viewing information, preference information, and retrieval information of a user who uses one of a plurality of terminals, and a distribution management unit which stores non-real-time contents compressed by a CODEC, in an access provider corresponding to one of the plurality of terminals used by the user, based on the acquired at least one of the viewing information, preference information, and retrieval information of the user, prior to receiving the contents viewing request from the user. *See* Himeno, Abstract. Himeno is cited as disclosing "[a] system operator remits the contents usage fees collected from the subscribers, minus the due charges [of] the system operator, to the electronic merchandise distribution apparatus [page 7, paragraph 0162]." Himeno is not understood as curing the deficiencies noted previously for Cooper relative to the Applicant's independent claims.

The cited Levy reference is directed to techniques of using embedded data with file sharing, including embedding data throughout the content in which the embedded data has any of the following roles. The embedded data can have an identifier that has many uses, such as identifying the file as the content that the user desires, allowing the file to be tracked for forensic or accounting purposes, and connecting the user back to the owner and/or creator of the file. The embedded data can be analyzed in terms of continuity throughout the file to quickly demonstrate

that the file is complete and not modified by undesirable content or viruses. An additional role is to identify the content as something that is allowed to be shared, or used to determine the level or type of sharing allowed, such as for subscription users only. See, e.g., Levy, paragraph [0014]. Levy is cited as disclosing types of media that are downloaded and also for teaching that a Global Digital Rights Apportionment System (GDRAS) makes it possible to apportion money to copyright owners, etc. Levy is not understood as curing the deficiencies noted previously for Cooper and Himeno relative to the Applicant's independent claims.

In contrast with the cited art, Applicant's claimed invention as recited in claims 1, 7, 11, and 17, provides advantages including (i) assurance that royalties are collected for downloaded media, (ii) ease of use for users of dealing with online media vendors, and (iii) the avoidance of a need for altering hardware, software, or media profiles. For example, the subject application teaches that the Applicant's invention provides the following benefits and advantages relative to the prior art (specification as filed, pages 5-6; paragraphs [0021]-[0024] of the published application):

> The invention, on the other hand, unlike the above and other prior approaches, to the contrary, provides a novel method that:
>
> Ensures that royalties or other payments for downloaded media use are accounted for and collected via the already established ISP-consumer relationship;
>
> Provides increased ease-of-use of online (Web-based) media vendors (i-tunes, real networks, software vendors, etc.); and
>
> Avoids necessity of altering hardware, software or media profiles and/or scope of use.

Thus, independent claims 1, 7, 11, and 17, and the respective dependent claims are believed to be unobvious over Cooper, Himeno, and Levy (whether the references are considered alone or in combination). In further support of patentability of the claims, Applicant notes that the omission of an element and retention of its function is an indicia of unobviousness. *In re*

Edge, 359 F.2d 896, 149 USPQ 556 (CCPA 1966); accord MPEP § 2144.04. Consequently, Applicant respectfully requests that the rejections of claims 2, 3, 5, 6, 12, 13, 15, and 16 under 35 U.S.C. § 103(a) be withdrawn.

Conclusion

For the foregoing reasons, Applicant submits that all of the claims under consideration in the subject application are in condition for allowance. A timely Notice of Allowance for the application is therefore requested.

Authorization is hereby given to charge our deposit account no. 50-1133 for a Petition for Extension of Time (three months) under 37 CFR § 1.136 and for any other fees that may become due for the prosecution of the subject application and/or to credit any overpayment.

Should the Examiner have any questions, he is invited to call the undersigned.

Respectfully submitted,

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